

# **INDIANA LEGISLATIVE LOBBYIST HANDBOOK**

2011



**INDIANA LOBBY REGISTRATION COMMISSION**

**INDIANA LOBBY REGISTRATION COMMISSION**

10 W. Market, Suite 1760  
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Indiana law requires certain persons seeking to influence the outcome of legislation before the Indiana General Assembly to register with the Indiana Lobby Registration Commission. A registered lobbyist must report on a semi-annual basis any expenditures associated with lobbying the legislature.

This handbook provides information about the registration and reporting requirements, as well as helpful instructions and comments about completing the appropriate forms. Please read the manual and familiarize yourself with the law. In the event of any inconsistency between this publication and the lobbying statutes, the statutory language governs.

The Indiana Lobby Registration Commission and its staff are ready to help you with any questions you may have about the lobbying law, completing forms, or comments on this handbook.

This publication is not intended to be offered as a substitute for advice from a lobbyist's own legal counsel.

A current list of registered lobbyists, as well as registration statements, activity reports, and the annual summary of lobbyist statements and reports, are available for public viewing at the Commission office or for purchase at the cost of duplication. This information also may be viewed at the Commission web site, which is <http://www.in.gov/ilrc/>

Sincerely,

**INDIANA LOBBY REGISTRATION COMMISSION**

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Sue Scholer, *Commissioner*  
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**COMMISSION STAFF**

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## IMPORTANT NOTES

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This handbook is intended to serve as a general reference to Indiana laws regarding lobbyist registration and financial reporting. Where important legal rights and obligations are involved, reference should be made to the statutes as found in IC 2-7 and IC 5-14-7 . The Commission recommends that lobbyists seek their own legal counsel.

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## SUMMARY OF FILING DATES

Registration:	<b>January 15, or within 15 days of becoming a lobbyist, whichever is later</b>
Activity Reporting:	<b>May 31<sup>st</sup> and November 30<sup>th</sup></b>
Lobbyist Gift or Purchase:	<b>within 15 business days of making a gift or purchase</b>
Amendment:	<b>within 15 days after <u>ANY</u> information change</b>
Termination:	<b>within 15 days after lobbying activity ceases</b>

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## I. OVERVIEW OF THE INDIANA LOBBYING LAW

### WHO MUST FILE ?

A lobbyist is a person who "engages in lobbying" and who "in any registration year, receives or expends an aggregate of five hundred dollars (\$500) in compensation or expenditures reportable under this article for lobbying, whether the compensation or expenditure is solely for lobbying or the lobbying is incidental to that person's regular employment." IC 2-7-1-10.

Indiana Code defines lobbying as communicating by any means, or paying others to communicate by any means, with any legislative person for the purpose of influencing any legislative action. Filing requirements apply to any lobbyist. Under IC 2-7-1-8, the term "legislative person" is defined as follows:

- Sec. 8. "Legislative person" means any of the following:
  - (1) A member.
  - (2) A candidate.
  - (3) An officer of the general assembly
  - (4) An employee of the general assembly.
  - (5) A member of the immediate family of anyone described in subdivision (1), (2), (3), or (4). A lobbyist who is a close relative of a legislative person is not considered a legislative person.
  - (6) A paid consultant of the general assembly.
  - (7) An agency of the general assembly.

The term "member" refers to a member of the General Assembly, and the term "candidate" refers to a candidate for election to the General Assembly.

Indiana requires separate registrations from employer lobbyists and compensated lobbyists:

- **Employer Lobbyist** - an organization, association, corporation, partnership, firm, or individual that compensates another to perform lobbying services on behalf of the employer lobbyist.
- **Compensated Lobbyist** - an individual, organization, association, corporation, partnership, or firm that receives compensation for lobbying services rendered on behalf of a client or an employer.

## WHAT MUST BE FILED . . . AND WHEN?

- **Registration Statements** must be filed annually on or before January 15<sup>th</sup> or within fifteen (15) days of becoming a lobbyist, whichever is later, and terminate on December 31st of each year. Employers and compensated lobbyists must register separately by filing the appropriate forms accompanied by the designated registration fee.
- **Activity Reports** must be filed semi-annually with the Commission by each registered lobbyist.
  - An employer must file one activity report semi-annually.
  - A compensated lobbyist must file a separate activity report semi-annually for each employer or client from which the lobbyist receives compensation or payment for performing lobbying services.
- Under IC 2-7-3-3.3, a **Lobbyist Gift Report** must be filed within fifteen (15) business days of giving a gift, as defined in IC 2-7-1-4, to a legislative person. A copy of the report must be filed with the Commission, the legislative person, the Principal Clerk of the House of Representatives if the legislative person is a member of, or candidate for election to, that body, and the Secretary of the Senate if the legislative person is a member of, or candidate for election to, that body. This requirement applies if the value of a gift or gifts that benefit a specific legislative person equal \$50 or more in one day or together total more than \$250 in a calendar year.
  - Under IC 2-7-5-8, a lobbyist is prohibited from making a gift with a value of more than \$50 to a legislative person unless the lobbyist receives the legislative person's consent before the gift is made. However, this prohibition does not apply if the legislative person is a close relative of the lobbyist as defined in IC 2-7-1-1.7.
- Under IC 2-7-3-7, a **Lobbyist Purchase Report** must be filed within fifteen (15) business days after making a purchase of goods or services from a member of the General Assembly, a candidate for election to the General Assembly, or such a member's or candidate's sole proprietorship or family business if the amount paid exceeds \$100. However, such a report is not required if the purchase is made in the ordinary course of business and at a price that is available to the general public. If a report is required, a copy of the report must be filed with the Commission, the member or candidate with respect to whom the purchase was made, the Principal Clerk of the House of Representatives if the member or candidate is a member of, or candidate for election to, that body, and the Secretary of the Senate if the member or candidate is a member of, or a candidate for election to, that body.
- **Amendments of Information** must be filed within fifteen (15) days after a material change occurs in **any information** listed on a registration statement on file with the Commission. There is no fee for filing an amended registration, but a penalty may be assessed if the amendment is not filed within fifteen (15) days.
- A **Termination Notice** should be filed within fifteen (15) days after a lobbyist ceases the activity which required lobbyist registration. Each lobbyist who files a notice of termination is required to file an activity report covering the semi-annual reporting period, or portion thereof, that immediately precedes the termination.
- If you will not be registering for the upcoming year, you must indicate the termination on your **Report of Lobbyist Activity** due on **November 30<sup>th</sup>**. Failure to terminate on this report could cause you to receive a "non-filer" letter for the next Registration period until you close out your last Activity Report.

## WHERE MUST YOU FILE?

All lobbyist forms must be filed with the Commission either electronically or at the following address:

**Indiana Lobby Registration Commission  
10 W. Market, Suite 1760  
Indianapolis, Indiana, 46204**

- **By mail** - mailed forms will be accepted and considered filed by the date of the cancelled postmark. You must provide copies and a self-addressed envelope with the correct postage if you require file-stamped copies to be returned to you.
- **Electronic filing**- Applications and instructions for e-file are available on the website [www.in.gov/ilrc](http://www.in.gov/ilrc)
- **By hand** - forms may be hand-delivered, Monday through Friday, during regular office hours - 8:30 AM - 4:30 PM. If you need copies to be file-stamped while you wait, you need to provide the copies, or the Commission can provide copies at its duplicating cost. Remember that on deadline dates, the wait may be lengthy.

## REGISTRATION FEES

In most cases, a \$100 registration fee must accompany each lobbyist registration statement. However, \$50 registration fee must accompany the lobbyist registration statements of the following:

- a non-profit organization exempt from federal income taxation under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code, or
- an employee of a non-profit organization, as described above, who performs lobbying services for the employer as part of the employee's salaried responsibilities.

## RECORD KEEPING REQUIREMENTS

- **Preserve for four years** - Compensated and employer lobbyists are required to obtain and preserve documents that substantiate fully all activity reports filed with the Commission. These documents must be retained for a period of four years from the date of filing the report to which they relate.
- **Furnish upon request** - Substantiating documents must be made available to the Indiana Lobby Registration Commission upon request to verify activity reports.

## ENFORCEMENT

- **Audits** - The General Assembly mandates the Commission to audit and review at least five percent (5%) of all registration statements and activity reports filed with the Commission.

The Commission requires the selected lobbyists to produce verifying documents that substantiate their activity reports.

- **Notice of errors or violations** - The Commission notifies a lobbyist by certified mail within 30-days of the discovery of an error or violation. The lobbyist has 30-days from the date of notification in which to file a corrected statement or report. Failure to amend or correct a statement or report may result in the lobbyist being required to appear before the Commission in a public meeting, and in civil or criminal sanctions.
- **Investigations** - The Commission must conduct an investigation after receiving a written complaint with probable cause which alleges a lobby law violation. A copy of the complaint is sent to the person alleged to have committed the violation. If probable cause is found to exist, an investigation will be conducted, and all preliminary actions and records relating to the investigation will be kept confidential.
- **Hearings** - The Commission may conduct hearings whenever the Commission finds probable cause that a violation of the lobby law has occurred.

## **PENALTIES**

- **Late filings** - A penalty of \$100 per day, but not to exceed \$4,500, is imposed for any lobbyist registration or activity report filed after the statutory deadline. The Commission may waive the late filing penalty if it determines that circumstances make imposition of the penalty inappropriate.
- **Civil sanctions** - For failure to file a corrected statement or report as requested by the Commission, the Commission may: 1) revoke a lobbyist's registration, or, 2) impose a civil fine in an amount not to exceed \$500, or both. The Commission may impose those same sanctions if it finds that a lobbyist failed to file a report required by IC 2-7-3-3.3 (Gift Report) or IC 2-7-3-7 (Purchase Report) with a legislative person. Before imposing such a sanction, the Commission must conduct a hearing under IC 4-21.5.3
- **Criminal sanctions** - Violations of IC 2-7-2, IC 2-7-3, or IC 2-7-5 constitute unlawful lobbying, a Class D felony. False reporting under this statute also constitutes a Class D Felony. Upon consideration by the entire Commission, allegations of criminal violations may be referred to the Attorney General and to the prosecuting attorney with applicable jurisdiction.

In addition to any criminal penalty assessed for unlawful lobbying, the court may order the defendant not to engage in lobbying for a period up to 10 years. A person who lobbies in contravention of such an order also commits a Class D felony.



## **II. THE LOBBY LAW**

### **IC 2-7**

#### **ARTICLE 7. LOBBYISTS**

### **IC 2-7-1**

#### **Chapter 1. Definitions**

### **IC 2-7-1-0.1**

#### **Application of definitions**

Sec. 0.1. The definitions in this chapter apply throughout this article.

*As added by P.L.58-2010, SEC.4.*

### **IC 2-7-1-1**

#### **"Activity report"**

Sec. 1. "Activity report" means the activity report provided for by

### **IC 2-7-3.**

*As added by Acts 1981, P.L.9, SEC.1.*

### **IC 2-7-1-1.3**

#### **"Candidate"**

Sec. 1.3. "Candidate" refers to a candidate for election to the general assembly.

*As added by P.L.58-2010, SEC.5.*

### **IC 2-7-1-1.7**

#### **"Close relative"**

Sec. 1.7. (a) "Close relative" of an individual refers to any of the following:

- (1) The individual's spouse.
- (2) A parent of the individual or a parent of the individual's spouse.
- (3) A child of the individual or a child of the individual's spouse.
- (4) A sibling of the individual or a sibling of the individual's spouse.
- (5) An aunt or an uncle of the individual or an aunt or uncle of the individual's spouse.
- (6) A niece or nephew of the individual or a niece or nephew of the individual's spouse.
- (7) A grandparent of the individual or a grandparent of the individual's spouse.
- (8) A grandchild of the individual or a grandchild of the individual's spouse.
- (9) A great-grandparent of the individual or a great-grandparent of the individual's spouse.
- (10) A great-grandchild of the individual or a great-grandchild

of the individual's spouse.

(b) A relative by adoption, half-blood, marriage, or remarriage is considered as a relative of whole kinship.

*As added by P.L.58-2010, SEC.6.*

#### **IC 2-7-1-1.9**

##### **"Commission"**

Sec. 1.9. "Commission" refers to the Indiana lobby registration commission established by IC 2-7-1.6-1.

*As added by P.L.58-2010, SEC.7.*

#### **IC 2-7-1-2**

##### **"Compensation"**

Sec. 2. "Compensation" means anything of value given as payment for doing or refraining from doing an activity.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-1-3**

##### **"Expenditure"**

Sec. 3. "Expenditure" means any advance, conveyance, deposit, distribution, transfer of funds, loan, payment, honorarium, pledge, or subscription of money or anything of value, and any contract, agreement, promise, or other obligation, whether or not legally enforceable, to make an expenditure.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-1-4**

##### **"Gift"**

Sec. 4. (a) "Gift" means the voluntary transfer of anything of value without consideration.

(b) The term does not include a contribution (as defined in IC 3-5-2-15).

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.9-1993, SEC.3; P.L.58-2010, SEC.8.*

#### **IC 2-7-1-5**

##### **"Immediate family"**

Sec. 5. "Immediate family" means a spouse residing in the person's household and dependent children.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-1-6**

##### **"Influencing legislative action"**

Sec. 6. "Influencing legislative action" means promoting, supporting, influencing, modifying, opposing, or delaying any legislative action by any means.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-1-7**

##### **"Legislative action"**

Sec. 7. "Legislative action" means any matter within the authority of the general assembly; it includes the drafting, introduction, consideration, modification, enactment, or defeat of any bill, resolution, amendment, report, or other matter by the general assembly or by either house or any committee, subcommittee, joint or select committee thereof, or by a member or employee of the general assembly acting in his official capacity. "Legislative action" also means the action of the governor in approving or vetoing any bill.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-1-7.2**

##### **"Legislative body"**

Sec. 7.2. "Legislative body" refers to any of the following:

- (1) The general assembly.
- (2) The house of representatives.
- (3) The senate.
- (4) A standing or other committee established by the rules of the house of representatives or the senate.
- (5) A committee established by statute or by the legislative council. An individual who:
  - (A) is a member of a committee described in this subdivision; and
  - (B) is not a member of the general assembly; is not considered to be a member of a legislative body for purposes of this article.
- (6) A caucus of the house of representatives or the senate.

*As added by P.L.58-2010, SEC.9.*

#### **IC 2-7-1-7.5**

##### **"Legislative liaison"**

Sec. 7.5. "Legislative liaison" has the meaning set forth in IC 5-14-7-3.

*As added by P.L.58-2010, SEC.10.*

#### **IC 2-7-1-8**

##### **"Legislative person"**

Sec. 8. "Legislative person" means any of the following:

- (1) A member.
- (2) A candidate.
- (3) An officer of the general assembly.
- (4) An employee of the general assembly.
- (5) A member of the immediate family of anyone described in subdivision (1), (2), (3), or (4). A lobbyist who is a close

relative of a legislative person is not considered a legislative person.

(6) A paid consultant of the general assembly.

(7) An agency of the general assembly.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.58-2010, SEC.11.*

#### **IC 2-7-1-9**

##### **"Lobbying"**

Sec. 9. "Lobbying" means communicating by any means, or paying others to communicate by any means, with any legislative person with the purpose of influencing any legislative action.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.58-2010, SEC.12.*

#### **IC 2-7-1-10**

##### **"Lobbyist"**

Sec. 10. (a) "Lobbyist" means any person who:

(1) engages in lobbying; and

(2) in any registration year, receives or expends an aggregate of at least five hundred dollars (\$500) in compensation or expenditures reportable under this article for lobbying, whether the compensation or expenditure is solely for lobbying or the lobbying is incidental to that individual's regular employment.

(b) The following are not considered lobbyists:

(1) A public employee or public official.

(2) The National Conference of State Legislatures.

(3) The National Conference of Insurance Legislators.

(4) The American Legislative Exchange Council.

(5) Women in Government.

(6) The Council of State Governments.

(7) The National Black Caucus of State Legislators.

(8) Any other national organization established for the education and support of legislative leadership, legislators, legislative staff, or related government employees.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.9-1993,*

*SEC.4; P.L.58-2010, SEC.13.*

#### **IC 2-7-1-10.5**

##### **"Member"**

Sec. 10.5. "Member", except as used in section 8(5) of this chapter, IC 2-7-3(a), and IC 2-7-7-8, refers to a member of the general assembly.

*As added by P.L.58-2010, SEC.14.*

#### **IC 2-7-1-11**

**"Payment"**

Sec. 11. (a) "Payment" means a payment, compensation, reimbursement, distribution, transfer, loan, advance, conveyance, deposit, gift, pledge, subscription, or other rendering of money, property, services, or anything else of value, whether tangible or intangible, and any contract, agreement, promise, or other obligation, whether or not legally enforceable, to make a payment.

(b) "Paid" means that payment has been made.

(c) "Pay" means the act of making a payment.

*As added by Acts 1981, P.L.9, SEC.1.*

**IC 2-7-1-12**

**"Person"**

Sec. 12. "Person" means a human being, corporation, limited liability company, partnership, association, firm, or educational institution.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.8-1993, SEC.3.*

**IC 2-7-1-13**

**"Public employee"**

Sec. 13. "Public employee" means an employee of the state or federal government or a political subdivision of either of those governments and does include an official or employee of a state educational institution.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.2-2007, SEC.5.*

**IC 2-7-1-14**

**"Public official"**

Sec. 14. "Public official" means an individual who holds office in the executive, judicial, or legislative branch of the state or federal government or a political subdivision of either of those governments and includes an official or employee of a state educational institution.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.2-2007, SEC.6.*

**IC 2-7-1-16**

**"Registration statement"**

Sec. 16. "Registration statement" means the registration statement provided for by IC 2-7-2.

*As added by Acts 1981, P.L.9, SEC.1.*

**IC 2-7-1.6**

**Chapter 1.6. Indiana Lobby Registration Commission**

#### **IC 2-7-1.6-1**

##### **Establishment**

Sec. 1. (a) The Indiana lobby registration commission is established.

(b) The commission is a separate and an independent agency within the legislative branch of state government.

(c) The commission shall administer this article.

*As added by P.L.3-1992, SEC.6. Amended by P.L.9-1993, SEC.6.*

#### **IC 2-7-1.6-2**

##### **Membership**

Sec. 2. (a) The commission consists of four (4) members. The president pro tempore of the senate, the minority floor leader of the senate, the speaker of the house of representatives, and the minority floor leader of the house of representatives shall each appoint one (1) member.

(b) Not more than two (2) of the four (4) members may hold the same political affiliation.

(c) An incumbent legislator or lobbyist may not be appointed as a member of the commission.

*As added by P.L.3-1992, SEC.6.*

#### **IC 2-7-1.6-3**

##### **Terms; vacancies**

Sec. 3. (a) Each member of the commission serves for a term of four (4) years, beginning January 1.

(b) Members of the commission may be reappointed to successive terms.

(c) The appropriate appointing authority shall fill a vacancy on the commission for the duration of the unexpired term.

*As added by P.L.3-1992, SEC.6.*

#### **IC 2-7-1.6-4**

##### **Chairman**

Sec. 4. A chairman shall be selected for the commission to serve for a term of one (1) year. The chairman's term begins January 1. The chairman to serve in even-numbered years shall be designated by the president pro tempore of the senate, and the chairman to serve in odd-numbered years shall be designated by the speaker of the house of representatives.

*As added by P.L.3-1992, SEC.6.*

#### **IC 2-7-1.6-5**

##### **Powers and duties**

Sec. 5. (a) The commission has the powers and duties specified in this article.

(b) The commission may do the following:

- (1) Hold meetings as necessary
- (2) Make recommendations to the general assembly concerning administration of this article.
- (3) Subject to IC 2-7-7, receive and hear any complaint alleging a violation of this article.
- (4) Obtain information relevant to an audit conducted or a complaint filed under this article.
- (5) Administer oaths.
- (6) Act as an advisory body by providing advisory opinions to lobbyists on questions relating to the requirements of this article.
- (7) Establish qualifications for and employ the personnel required to implement this article.
- (8) Adopt rules and procedures necessary or appropriate to carry out its duties.
- (9) Make reasonable and necessary expenditures of money appropriated to the commission.
- (10) Do other things necessary and proper:
  - (A) to implement this article; or
  - (B) as requested by the general assembly or the legislative council.

*As added by P.L.3-1992, SEC.6. Amended by P.L.9-1993, SEC.7.*

#### **IC 2-7-1.6-6**

##### **Majority vote**

Sec. 6. The vote of at least three (3) members is required for the commission to take official action.

*As added by P.L.3-1992, SEC.6.*

#### **IC 2-7-1.6-7**

##### **Per diem; mileage; travel allowances**

Sec. 7. When the commission meets, each member is entitled to receive the same per diem, mileage, and travel allowances approved by the legislative council for lay members serving on interim study committees established by the legislative council.

*As added by P.L.3-1992, SEC.6.*

#### **IC 2-7-1.6-8**

Repealed

(Repealed by P.L.9-1993, SEC.18.)

#### **IC 2-7-1.6-9**

##### **Application of chapter to committees under IC 2-2.1-3-5**

Sec. 9. Nothing in this chapter affects the committees established under IC 2-2.1-3-5.

*As added by P.L.3-1992, SEC.6.*

## **IC 2-7-2**

### **Chapter 2. Registration Statements**

#### **IC 2-7-2-1**

##### **Filing requirement**

Sec. 1. (a) Each lobbyist shall file annually with the commission a registration statement under oath accompanied by the registration fee required by this section.

(b) Except as provided in subsection (c), the registration fee is one hundred dollars (\$100).

(c) The registration fee of a lobbyist that satisfies either of the following is fifty dollars (\$50):

(1) The lobbyist is a nonprofit organization exempt from federal income taxation under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

(2) The lobbyist:

(A) is an employee of a lobbyist described in subdivision

(1); and

(B) performs lobbying services for the employer as part of the lobbyist's salaried responsibilities.

*As added by Acts 1981, P.L. 9, SEC.1. Amended by Acts 1982, P.L. 9, SEC.1; P.L.3-1992, SEC.7; P.L.9-1993, SEC.8.*

#### **IC 2-7-2-2**

##### **Time of filing; expiration of registration; late filing; fees**

Sec. 2. (a) Each registration statement shall be filed not later than January 15 or within fifteen (15) days after a person becomes a lobbyist, whichever is later. Each registration statement expires on December 31 of the year for which it was issued. The commission may accept registration statements before January 1 of the year to which they apply, as the commission determines.

(b) Subject to subsections (c) and (d), the commission shall impose a late registration fee of not more than one hundred dollars (\$100) per day for each day after the deadline until the statement is filed.

(c) The late registration fee shall not exceed four thousand five hundred dollars (\$4,500).

(d) The commission may waive the late registration fee if the commission determines that the circumstances make imposition of the fee inappropriate.

*As added by Acts 1981, P.L. 9, SEC.1. Amended by P.L.3-1992, SEC.8; P.L.9-1993, SEC.9; P.L.58-2010, SEC.15.*

#### **IC 2-7-2-3**

##### **Contents; lobbyists compensated for lobbying**

Sec. 3. The registration statement of each lobbyist who is compensated for lobbying shall include:



- (1) his name, social security number, residence address and telephone number, business address and telephone number, and the addresses and telephone numbers of any temporary living or business quarters he has in Marion County;
- (2) the name, business address, telephone number, and kind of business of each person (including the names of each officer or partner) who compensates him;
- (3) his primary occupation and the name or names of his employers if different than those specified in subdivision (2); and
- (4) the subject matter of his lobbying.

*As added by Acts 1981, P.L.9, SEC.1. Amended by Acts 1982, P.L.9, SEC.2; P.L.6-1987, SEC.1.*

#### **IC 2-7-2-4**

##### **Contents; statements of lobbyists compensating person for lobbying**

Sec. 4. The registration statement of each lobbyist who compensates a person for lobbying shall include:

- (1) his full name, business address and telephone number, kind of business, and the full name of the individual who controls the business, the partners, if any, and officers;
- (2) the full name, and business address and telephone number of each person compensated by him as a lobbyist;
- (3) the subject matter for which he has employed or contracted with a lobbyist.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-2-5**

##### **Amendments; changes in information; notice of termination**

Sec. 5. If a material change occurs in any of the information contained in a registration statement, an appropriate amendment shall be filed within fifteen (15) days after the change. Each registered lobbyist may file a notice of termination within fifteen (15) days after he ceases the activity which required his registration; however, this does not relieve him of the reporting requirements of IC 2-7-3.

*As added by Acts 1981, P.L.9, SEC.1. Amended by Acts 1982, P.L.9, SEC.3.*

#### **IC 2-7-2-6**

##### **Exemptions; application of this chapter, article, and IC 2-7-3**

Sec. 6. (a) The provisions of this chapter and IC 2-7-3 are not applicable to any full-time or part-time public official acting in his official capacity or any full-time or part-time public employee in Indiana acting within the scope of his employment.

(b) The provisions of this chapter are not applicable to any newspaper or other periodical of general circulation, book publisher,

news wire service, radio or television station (including any individual who owns, publishes, or is employed by any such newspaper or periodical, radio or television station) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisement, which directly or indirectly urge legislative action if such newspaper, periodical, book publisher, radio or television station, or individual engages in no further or other activities in connection with urging legislative action other than to appear before a committee of the legislature in support of or in opposition to such action.

(c) The provisions of this chapter are not applicable to an individual invited, by any member of the general assembly, to testify before the general assembly or a legislative committee at the time the individual is testifying.

(d) The provisions of this chapter are not applicable to any officer or employee of the state central committee of a political party while acting within the scope of his employment.

(e) This chapter does not apply to a person whose lobbying services are performed without compensation.

(f) Notwithstanding the definition of "lobbying" as specified in IC 2-7-1-9, in no instance shall the language of this chapter be construed to prohibit in any way free and open communication between any citizen of this state and members of the general assembly.

(g) This article does not apply to:

- (1) an insurance policy;
- (2) a credit card agreement;
- (3) a recorded mortgage secured by real property; or
- (4) a written agreement with a financial institution (as defined in IC 28-1-1-3);

if the insurance policy, credit card, mortgage, or agreement was issued or made in the ordinary course of business.

(h) This article does not apply to compensation paid to the spouse of a legislator for goods or services provided by the spouse in the ordinary course of business to a lobbyist or a lobbyist's employer.

(i) The items to which this article does not apply under subsection (g) or (h) shall not be included in activity reports filed under IC 2-7-3-3.

*As added by Acts 1981, P.L.9, SEC.1. Amended by Acts 1982, P.L.9, SEC.4; P.L.3-1992, SEC.9; P.L.9-1993, SEC.10.*

## **IC 2-7-3**

### **Chapter 3. Activity Reports**

## **IC 2-7-3-1**

### **Filing requirement**

Sec. 1. Each lobbyist shall file semiannually with the commission

an activity report under oath. He shall file a separate activity report relating to each person from whom he receives payment for lobbying.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.10.*

### **IC 2-7-3-2**

#### **Time of filing; failure to file; penalty; limitation**

Sec. 2. (a) One (1) activity report shall be filed not later than May 31, covering the period from November 1 of the immediately preceding calendar year through April 30. The other activity report shall be filed not later than November 30, covering the period from May 1 through October 31. The commission shall provide a copy of an activity report to a member of the general assembly at the request of the member.

(b) Subject to subsections (c) and (d), the commission shall impose a penalty of not more than one hundred dollars (\$100) per day for each day that the person fails to file any report required by this chapter until the report is filed.

(c) The penalty shall not exceed four thousand five hundred dollars (\$4,500) per report.

(d) The commission may waive the penalty if the commission determines that the circumstances make imposition of the penalty inappropriate.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.11; P.L.9-1993, SEC.11; P.L.162-2003, SEC.1; P.L.58-2010, SEC.16.*

### **IC 2-7-3-3**

#### **Activity report contents; reporting thresholds; excluded items**

Sec. 3. (a) The activity reports of each lobbyist shall include the following information:

(1) A complete and current statement of the information required to be supplied under IC 2-7-2-3 and IC 2-7-2-4.

(2) Total expenditures on lobbying (prorated, if necessary) broken down to include at least the following categories:

(A) Compensation to others who perform lobbying services.

(B) Reimbursement to others who perform lobbying services.

(C) Receptions.

(D) Entertainment, including meals.

(E) Gifts made to a legislative person.

(3) Subject to section 3.5 of this chapter, a statement of each:

(A) expenditure for entertainment (including meals and drink); or

(B) gift;

that equals fifty dollars (\$50) or more in one (1) day, or expenditures for entertainment (including meals and drink) or

gifts that together total more than two hundred fifty dollars (\$250) during the calendar year, if the expenditures and gifts are made by the lobbyist or the lobbyist's agent to benefit a specific legislative person.

(4) A list of the general subject matter of each bill or resolution concerning which a lobbying effort was made within the registration period.

(5) The name of each member of the general assembly from whom the lobbyist has received an affidavit required under IC 2-2.1-3-3.5.

(b) In the second semiannual report, when total amounts are required to be reported, totals shall be stated both for the period covered by the statement and for the entire reporting year.

(c) An amount reported under this section is not required to include the following:

(1) Overhead costs.

(2) Charges for any of the following:

(A) Postage.

(B) Express mail service.

(C) Stationery.

(D) Facsimile transmissions.

(E) Telephone calls.

(3) Expenditures for the personal services of clerical and other support staff persons who are not lobbyists.

(4) Expenditures for leasing or renting an office.

(5) Expenditures for lodging, meals, and other personal expenses of the lobbyist.

(d) A report of an expenditure under subsection (a)(3) must state the following information:

(1) The name of the lobbyist making the expenditure.

(2) A description of the expenditure.

(3) The amount of the expenditure.

*AS ADDED BY ACTS 1981, P.L.9, SEC.1. AMENDED BY ACTS 1982, P.L.9, SEC.5; P.L.3-1992, SEC.12; P.L.9-1993, SEC.12; P.L.58-2010, SEC.17.*

### **IC 2-7-3-3.3**

#### **Reporting gifts to legislative persons; report filing; contents; filing deadlines; report temporarily confidential; compiled reports provided to members and candidates**

Sec. 3.3. (a) This section does not apply to gifts made between close relatives.

(b) A lobbyist shall file a written report whenever the lobbyist makes a gift with respect to a legislative person that is required to be included in a report under section 3(a)(3) of this chapter.

(c) A report under this section must state the following:

(1) The name of the lobbyist making the gift.

- (2) A description of the gift.
- (3) The amount of the gift.
- (d) A lobbyist shall file a copy of a report required by this section with all the following:
  - (1) The commission.
  - (2) The legislative person to whom the report is made.
  - (3) The principal clerk of the house of representatives, if the legislative person is a member of, or a candidate for election to, the house of representatives.
  - (4) The secretary of the senate, if the legislative person is a member of, or candidate for election to, the senate.
- (e) A lobbyist shall file a report required by this section not later than fifteen (15) business days after making the gift. A report filed under this section is confidential and is not available for public inspection or copying until ten (10) business days after the report is filed with the commission.
- (f) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (d) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each gift reported under subsection (d):
  - (1) A description of the gift.
  - (2) The amount of the gift.
  - (3) The name of the lobbyist making the gift.

*As added by P.L.58-2010, SEC.18.*

### **IC 2-7-3-3.5**

#### **Rules for reporting expenditures and gifts**

- Sec. 3.5. (a) If an expenditure for entertainment (including meals and drink) or a gift can clearly and reasonably be attributed to a particular legislative person, the expenditure must be reported with respect to that particular legislative person.
- (b) A report of an expenditure with respect to a particular legislative person:
    - (1) must report actual amounts; and
    - (2) may not allocate to the particular legislative person a prorated amount derived from an expense made with respect to several legislative persons; to the extent practicable.
  - (c) An activity report must report expenditures for a function or activity to which all the members of a legislative body are invited. Expenditures reported for a function or activity described in this subsection may not be allocated and reported with respect to a particular legislative person.
  - (d) If two (2) or more lobbyists contribute to an expenditure, each lobbyist shall report the actual amount the lobbyist contributed to the

expenditure. For purposes of reporting such an expenditure, the following apply:

- (1) For purposes of determining whether the expenditure is reportable, the total amount of the expenditure with respect to a particular legislative person must be determined and not the amount that each lobbyist contributed to that expenditure.
- (2) Each lobbyist shall report the actual amount the lobbyist contributed to the expenditure, even if that amount would not have been reportable under this section if only one (1) lobbyist made an expenditure of that amount.
- (e) The report of an expenditure with respect to a particular legislative person may not include any amount that the particular legislative person contributed to the expenditure.
- (f) An activity report may not report expenditures or gifts relating to property or services received by a legislative person if the legislative person paid for the property or services the amount that would be charged to any purchaser of the property or services in the ordinary course of business.
- (g) An activity report may not report expenditures or gifts made between close relatives unless the expenditure or gift is made in connection with a legislative action.
- (h) An activity report may not report expenditures or gifts relating to the performance of a legislative person's official duties, including the legislative person's service as a member of any of the following:
  - (1) The legislative council.
  - (2) The budget committee.
  - (3) A standing or other committee established by the rules of the house of representatives or the senate.
  - (4) A study committee established by statute or by the legislative council.
  - (5) A statutory board or commission.
- (i) An activity report may not report a contribution (as defined in IC 3-5-2-15).

*As added by P.L.58-2010, SEC.19.*

#### **IC 2-7-3-4**

##### **Substantiation; preservation of documents; inspection**

Sec. 4. Each lobbyist shall obtain and preserve all documents necessary to substantiate the activity reports required under this chapter for four (4) years from the date of filing of the report containing these items. The lobbyist shall make these materials available for inspection upon request by the commission.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.13.*

#### **IC 2-7-3-5**

##### **Termination report; contents**

Sec. 5. Every person who files a notice of termination as provided in IC 2-7-2-5 must file a termination report covering the semiannual reporting period or portion thereof immediately preceding the termination of his registration statement; such report shall contain the information required by section 3 of this chapter.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-3-7**

##### **Report of purchases by lobbyist from member or candidate; contents; filing deadlines; report temporarily confidential; compiled reports provided to members and candidates**

Sec. 7. (a) This section does not apply to a purchase by a lobbyist from a member's or candidate's business made in the ordinary course of business at prices that are available to the general public.

(b) As used in this section, "purchase" refers to a purchase of goods or services for which the lobbyist paid more than one hundred dollars (\$100) from any of the following:

- (1) A member or candidate.
- (2) A member's or candidate's sole proprietorship.
- (3) A member's or candidate's family business, regardless of the manner of the family business's legal organization.

(c) A lobbyist shall file a written report with respect to a member or candidate whenever the lobbyist makes a purchase.

(d) A report required by this section must state the following:

- (1) The name of the lobbyist making the purchase.
- (2) A description of the purchase.
- (3) The amount of the purchase.

(e) A lobbyist shall file a copy of a report required by this section with all the following:

- (1) The commission.
- (2) The member or candidate with respect to whom the report is made.
- (3) The principal clerk of the house of representatives, if the member or candidate is a member of, or a candidate for election to, the house of representatives.
- (4) The secretary of the senate, if the member or candidate is a member of, or candidate for election to, the senate.

(f) A lobbyist shall file a report required by this section not later than fifteen (15) business days after making the purchase. A report filed under this section is confidential and is not available for public inspection or copying until ten (10) business days after the report is filed with the commission.

(g) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (e) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each purchase:

- (1) A description of the purchase.
- (2) The amount of the purchase.
- (3) The name of the lobbyist making the purchase.

*As added by P.L.58-2010, SEC.20.*

#### **IC 2-7-4**

##### **Chapter 4. Duties of the Commission**

#### **IC 2-7-4-1**

##### **Forms for documents**

Sec. 1. The commission shall prescribe forms for the registration statements, activity reports, and other documents required to be filed under this article and make the forms available to persons required to file the registration statements, activity reports, and other documents.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.14; P.L.9-1993, SEC.14.*

#### **IC 2-7-4-2**

##### **Reporting methods; publication**

Sec. 2. The commission shall prepare and publish a manual setting forth recommended, uniform methods of reporting for use by persons required to file statements and reports under this article.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.15.*

#### **IC 2-7-4-3**

##### **Documents; availability for public inspection**

Sec. 3. The commission shall make statements, reports, and other documents filed with the commission under this article available for public inspection and copying during regular office hours and make copying facilities available to the public at a charge not to exceed actual cost.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.16.*

#### **IC 2-7-4-4**

##### **Statements and reports; index**

Sec. 4. The commission shall compile and maintain an index of all reports and statements filed with the commission under this article to facilitate public access to these reports and statements.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.17.*

#### **IC 2-7-4-5**

##### **Statements and reports; summaries; publication**

Sec. 5. The commission shall prepare and publish annual



summaries of statements and reports filed with the commission under this article.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.18.*

#### **IC 2-7-4-5.5**

##### **Commission must make reports and other information available on Internet**

Sec. 5.5. (a) The commission shall make copies of all the following available on the Internet:

(1) Reports, statements, other documents required to be filed under this article.

(2) Manuals, indices, summaries, and other documents the commission is required to compile, publish, or maintain under this article.

(b) The commission shall make copies of all reports required to be made by legislative liaisons under IC 5-14-7 available on the Internet.

*As added by P.L.58-2010, SEC.21.*

#### **IC 2-7-4-6**

##### **Registration statements and reports; inspection and audit; confidential documents**

Sec. 6. (a) The commission shall inspect and audit at least five percent (5%) of all registration statements and reports filed with the commission under this chapter by requiring the lobbyist to produce verifying documents. The statements and reports inspected and audited shall be selected at random by a computer random number generator. Nothing in this chapter shall be construed as prohibiting the commission from inspecting and auditing any statement or report if the commission has reason to believe that a violation of this chapter may have occurred.

(b) Verifying documents under this section while in the possession of the commission are confidential.

*As added by Acts 1981, P.L.9, SEC.1. Amended by Acts 1982, P.L.9, SEC.6; P.L.19-1983, SEC.7; P.L.3-1992, SEC.19; P.L.58-2010, SEC.22.*

#### **IC 2-7-4-7**

##### **Violations; notification to persons required to file statements and reports; failure to file; reporting for prosecution**

Sec. 7. The commission shall notify by certified mail, return receipt requested, persons required to file statements and reports under this article of any violations or errors discovered during inspections or audits conducted under section 6 of this chapter within thirty (30) days of the discovery of the errors or violations. The

person required to file statements and reports under this article shall within thirty (30) days from receipt of notification file a corrected statement or report meeting all requirements set forth in this article. If no corrected statement or report is filed within thirty (30) days, or if violations remain following the filing of a corrected report or statement, then the commission shall forward to the prosecuting attorney of the applicable judicial circuit and to the attorney general reports of any violations. However, if the prosecutor has not initiated prosecution within sixty (60) days of receipt of such notice or within sixty (60) days of the written request for prosecution by the attorney general, the attorney general may prosecute on behalf of the state.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.6-1985, SEC.1; P.L.3-1992, SEC.20.*

#### **IC 2-7-4-8**

##### **Statements and reports; preservation**

Sec. 8. The commission shall preserve statements and reports filed with the commission under this article for a period of four (4) years from the date of receipt.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.21.*

#### **IC 2-7-4-9**

##### **Powers**

Sec. 9. The commission has all powers necessary to accomplish the responsibilities assigned to the commission in this chapter.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.3-1992, SEC.22.*

#### **IC 2-7-5**

##### **Chapter 5. Prohibitions**

#### **IC 2-7-5-1**

##### **Legislative persons; compensation for engaging in lobbying**

Sec. 1. A legislative person may not receive compensation or reimbursement other than from the state for personally engaging in lobbying.

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.58-2010, SEC.23.*

#### **IC 2-7-5-2**

##### **Full-time public officials and employees; compensation**

Sec. 2. Subject to the provisions of IC 2-7-2-6(a), it is unlawful for any full-time public official or public employee in the state of Indiana, to receive compensation, other than the regular compensation of elected or appointed officials, for lobbying.

*As added by Acts 1981, P.L.9, SEC.1. Amended by Acts 1982, P.L.9,*

SEC.7.

#### **IC 2-7-5-3**

##### **State central committee of political party; compensation**

Sec. 3. Subject to the provisions of IC 2-7-2-6(d), it is unlawful for any officer or employee of the state central committee of a political party to receive compensation, other than for the regular compensation of such officers and employees, for lobbying.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-5-4**

##### **Former members of general assembly; presence during legislative session**

Sec. 4. No past member of the general assembly who is a lobbyist may be on the floor of either house while that house is in session.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-5-5**

##### **Contingent fees**

Sec. 5. It is unlawful for any person to be a lobbyist for a compensation dependent upon the success of his lobbying efforts, or upon any contingency connected with the administrative action or legislative action.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-5-6**

##### **Persons forbidden to register**

Sec. 6. The following persons may not be registered as a lobbyist under this article:

- (1) Any individual convicted of a felony for violating any law while the individual was an officer or employee of any agency of state government or a unit of local government.
- (2) Any person convicted of a felony relating to lobbying.
- (3) Any person convicted of a felony and who:
  - (A) is in prison;
  - (B) is on probation; or
  - (C) has been in prison or on probation within the immediate past one (1) year.
- (4) Any person whose:
  - (A) statement or report required to be filed under this article was found to be materially incorrect as a result of a determination under IC 2-7-6-5; and
  - (B) who has not filed a corrected statement or report for that year when requested to do so by the commission.
- (5) Any person who has failed to pay a civil penalty assessed under IC 2-7-6-5.
- (6) Any person who is on the most recent tax warrant list

supplied to the commission by the department of state revenue until:

(A) the person provides a statement to the commission indicating that the person's delinquent tax liability has been satisfied; or

(B) the commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

*As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.6-1985, SEC.2; P.L.6-1987, SEC.2; P.L.332-1989(ss), SEC.1; P.L.3-1992, SEC.23.*

#### **IC 2-7-5-7**

**After 2011, individual may not be lobbyist or legislative liaison for 365 days after date individual ceases to be a member of general assembly**

#### **Effective 1-1-2012.**

Sec. 7. (a) An individual who is a member of the general assembly after December 31, 2011, may not be:

(1) registered as a lobbyist under this article; or

(2) employed as a legislative liaison;  
during the period described in subsection (b).

(b) The period referred to in subsection (a):

(1) begins on the day the individual ceases to be a member of the general assembly; and

(2) ends three hundred sixty-five (365) days after the date the individual ceases to be a member of the general assembly.

*As added by P.L.58-2010, SEC.24.*

#### **IC 2-7-5-7.1**

**Candidates for general assembly in 2010 and certain members may not be lobbyists or legislative liaisons before 6-1-2011; expiration of section**

Sec. 7.1. (a) This section applies only to an individual who is a:

(1) candidate for nomination for election to the general assembly in 2010; or

(2) member of the general assembly on November 3, 2010.

(b) An individual described in subsection (a) may not be:

(1) registered as a lobbyist under this article; or

(2) employed as a legislative liaison;  
before June 1, 2011.

(c) An individual described in subsection (a) may be registered as a lobbyist after May 31, 2011.

(d) This section expires January 1, 2012.

*As added by P.L.58-2010, SEC.25.*

#### **IC 2-7-5-8**

**Lobbyist may not make certain gifts to legislative person without consent of legislative person; exception**

Sec. 8. (a) This section does not apply to gifts made between close relatives.

(b) A lobbyist may not make a gift with a value of fifty dollars (\$50) or more to a legislative person unless the lobbyist receives the consent of the legislative person before the gift is made. The lobbyist must inform the particular legislative person of the cost of the gift at the time the lobbyist seeks the consent of the legislative person.

*As added by P.L.58-2010, SEC.26.*

**IC 2-7-5-9**

**Lobbyist may not pay for or reimburse for legislative person's travel expenses outside Indiana; exceptions**

Sec. 9. (a) This section does not apply to the following:

(1) Expenses associated with travel outside Indiana for any purpose that is paid for by an organization or corporation of which the legislative person or the legislative person's spouse is an officer, member of the board of directors, employee, or independent contractor.

(2) Travel expenses of a legislative person attending a public policy meeting if:

(A) the legislative person's sole purpose for attending the meeting is to serve as a speaker or other key participant in the meeting; and

(B) the speaker of the house of representatives or the president pro tempore of the senate approves the payment of the travel expenses in writing.

(b) As used in this section, "travel expenses" includes expenses for transportation, lodging, meals, registration fees, and other expenses associated with travel.

(c) Except as provided in subsection (a), a lobbyist may not pay for or reimburse for travel expenses of a legislative person for travel outside Indiana for any purpose.

*As added by P.L.58-2010, SEC.27.*

**IC 2-7-5-10**

**Lobbyist conflict of interest; lobbyist must file with commission written statement for resolution of conflicts; statement must be included in contract between lobbyist and client; lobbyist may not represent client when there is a conflict of interest; exceptions**

Sec. 10. (a) Except as provided in subsection (c), this section does not apply to a lobbyist if the lobbyist's activity under this chapter is governed by the Rules of Professional Conduct of the Indiana supreme court.

(b) As used in this section, "conflict of interest" means a circumstance where:

(1) the representation of a client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one (1) or more clients will be materially limited by the lobbyist's responsibilities to:

(A) another client; or

(B) a personal interest of the lobbyist.

(c) A lobbyist shall file with the commission a written statement that describes the procedures that the lobbyist and the lobbyist's client will follow if the lobbyist or the client determines at any time that the lobbyist's representation of the client might involve a conflict of interest. The lobbyist shall file the statement with the commission at the time the lobbyist files the lobbyist's annual registration statement under IC 2-7-2. If the lobbyist's activity under this chapter is governed by the Rules of Professional Conduct of the Indiana supreme court, the lobbyist shall file a statement to that effect with the commission.

(d) The statement filed under subsection (c) must be included in the agreement between the lobbyist and the client for the lobbyist's services as a lobbyist.

(e) A lobbyist may not represent a client if the representation involves a conflict of interest except as is provided in the statement filed by the lobbyist under subsection (c).

*As added by P.L.58-2010, SEC.28.*

## **IC 2-7-6**

### **Chapter 6. Enforcement**

#### **IC 2-7-6-1**

##### **Investigating and prosecuting authorities; powers and duties**

Sec. 1. The attorney general and the applicable prosecuting attorney jointly or severally are responsible for investigating alleged or suspected violations and enforcing the provisions of this article and, in addition to the powers heretofore granted him by law, the attorney general has the powers of the prosecuting attorney of each county for the purpose of enforcing the provisions of this article.

*As added by Acts 1981, P.L.9, SEC.1.*

#### **IC 2-7-6-2**

##### **Violations; offense; penalty; court order against lobbying**

Sec. 2. (a) Any person who knowingly or intentionally violates any provision of IC 2-7-2, IC 2-7-3, or IC 2-7-5 commits unlawful lobbying, a Class D felony. In addition to any penalty imposed on the defendant under IC 35-50-2-7 for unlawful lobbying, the court may order the defendant not to engage in lobbying for a period of up to ten (10) years, IC 2-7-5-6 notwithstanding.

### **IC 2-7-6-3**

#### **Violations; false reports; offense**

Sec. 3. A person who knowingly or intentionally makes a false report under this article that overstates or understates the amount of an expenditure or gift commits a Class D felony.

As added by Acts 1981, P.L.9, SEC.1. Amended by P.L.9-1993, SEC.15; P.L.58-2010, SEC.29.

### **IC 2-7-6-4**

#### **Violations; members of general assembly; conspiracy; offense**

Sec. 4. A member of the general assembly who knowingly or intentionally conspires with a lobbyist in the violation of section 2 or section 3 of this chapter commits a Class D felony.

*As added by Acts 1981, P.L.9, SEC.1.*

### **IC 2-7-6-5**

#### **Findings of hearing; sanctions**

Sec. 5. (a) If the commission after a hearing conducted under IC 4-21.5-3 finds that:

- (1) a statement or report required to be filed under this article was materially incorrect;
  - (2) the person filing the report was requested to file a corrected statement or report; and
  - (3) a corrected statement or report has not been filed;
- the commission may invoke sanctions under subsection (b).

(b) If under subsection (a) the commission is authorized to invoke sanctions under this subsection, the commission may do either or both of the following:

- (1) Revoke the registration of the person who has failed to file a corrected statement or report.
- (2) Assess a civil penalty on that person in an amount not to exceed five hundred dollars (\$500).

*As added by P.L.6-1985, SEC.3. Amended by P.L.7-1987, SEC.1; P.L.3-1992, SEC.24.*

### **IC 2-7-6-6**

#### **Failure to file report; sanctions**

Sec. 6. (a) The commission may impose either or both of the following sanctions if, after a hearing under IC 4-21.5-3, the commission finds that a lobbyist failed to file a report with a legislative person required by IC 2-7-3-3.3 or IC 2-7-3-7:

- (1) Revoke the registration of the lobbyist.
- (2) Assess a civil penalty against the lobbyist. A civil penalty assessed under this subdivision may not be more than five hundred dollars (\$500).

(b) In imposing sanctions under subsection (a), the commission shall consider the following:

(1) Whether the failure to file the report was willful or negligent.

(2) Any mitigating circumstances.

*As added by P.L.9-1993, SEC.16. Amended by P.L.58-2010, SEC.30.*

## **IC 2-7-7**

### **Chapter 7. Commission Investigations and Hearings**

#### **IC 2-7-7-1**

##### **Complaints alleging violation of article; conduct of investigation**

Sec. 1. The commission shall conduct an investigation under this chapter of a complaint alleging a violation of this article.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-2**

##### **Complaint**

Sec. 2. A complaint must be in writing and be signed by the individual making the complaint.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-3**

##### **Delivery of complaint to alleged violator**

Sec. 3. When a complaint is filed, the commission shall promptly send a copy of the complaint to the person alleged to have committed the violation of this article.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-4**

##### **Complaints or preliminary investigations failing to state violation of article; disposition**

Sec. 4. If the commission determines the complaint does not allege facts sufficient to constitute a violation of this article, the commission shall do both of the following:

(1) Dismiss the complaint.

(2) Notify the complainant and the respondent of the commission's action.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-5**

##### **Complaints alleging violation of article; preliminary investigation; probable cause findings**

Sec. 5. (a) If the commission determines the complaint does allege facts sufficient to constitute a violation of this article, the commission shall promptly investigate the allegation.

(b) If after a preliminary investigation the commission finds that probable cause does not exist to support an allegation of a violation of this article, the commission shall do the following:



- (1) Dismiss the complaint.
- (2) Notify the complainant and the respondent of the commission's action.
- (c) If the commission finds that probable cause exists to support an allegation of a violation of this article, the commission shall hold a hearing on the matter not more than thirty (30) days after making the determination. IC 4-21.5 applies to a hearing held under this subsection.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-6**

##### **Commission meetings in executive session**

Sec. 6. The commission may meet in executive session to do either of the following:

- (1) Make a determination under section 4 of this chapter.
- (2) Investigate a complaint under section 5 of this chapter.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-7**

##### **Confidentiality**

Sec. 7. The following matters are confidential:

- (1) Action of the commission and records relating to those actions under section 4 of this chapter.
- (2) Investigations and records relating to a preliminary investigation under section 5 of this chapter.

*As added by P.L.9-1993, SEC.17.*

#### **IC 2-7-7-8**

##### **Subpoenas**

Sec. 8. (a) Upon the affirmative vote of three (3) members of the commission, the commission may request from the legislative council the authority to compel either or both of the following by subpoena:

- (1) The attendance and testimony of witnesses.
- (2) The production of documents.
- (b) If the legislative council authorizes the commission to issue subpoenas after a request under subsection (a), the circuit or superior court of the county where a subpoena is to be served shall enforce the subpoena.

*As added by P.L.9-1993, SEC.17.*

#### **IC 3-5-2-15**

##### **“Contribution”**

Sec.15. (a) “Contribution means a donation (whether characterized as an advance, a deposit, a gift, a loan, a subscription, or a contract or promise to make a donation) of property (as defined in IC 35-41-1) that satisfies both of the following:

- (1) The donation is made for purpose of influencing any of the following:

- (A) The nomination or election to office of a candidate.
  - (B) The election of delegates to a state constitutional convention.
  - (C) The outcome of a public question.
  - (2) The donation is accepted by any of the following:
    - (A) A candidate .
    - (B) A candidate's committee.
    - (C) A regular party committee.
    - (D) A political action committee.
    - (E) A legislative caucus committee.
  - (b) Whenever funds are transferred from one (1) committee to another, the accepting committee is considered to be receiving contribution in the amount of the funds transferred.
  - (c) Whenever a candidate or committee accepts the personal services of a person whose compensation is being paid by a third person, the candidate or committee is considered to be receiving a contribution from the third person in the amount of the compensation paid.
  - (d) Notwithstanding subsection (a), whenever a candidate or committee accepts the personal services of a volunteer who is not being compensated, the candidate or committee is not considered to be receiving a contribution.
  - (e) Notwithstanding subsection (a), whenever a political action committee accepts a donation of:
    - (1) rent;
    - (2) office expenses;
    - (3) management expenses;
    - (4) costs of solicitations of contributions, or
    - (5) other administrative costs;the committee is not considered to be receiving a contribution.
- As added by P.D. 5-1986, SEC.1. Amended by P.L. 3-1987, SEC.4; P.L. 5-1989, SEC.2; P.L.3-1997, SEC.6.*

## **APPENDIX 1**

### **Advisory Opinion Procedure**

#### **Introduction:**

One of the functions of the Indiana Lobby Registration Commission (Commission) is to assist the public by rendering Advisory Opinions with respect to the interpretations and applicability of Code Section 2-7. In furtherance of this role, and pursuant to IC 2-7-1.6-5(a)(6), the Commission has adopted the following guidelines with regard to the issuance of Advisory Opinions.

Each Advisory Opinion represents a formal policy determination of the Commission and may be relied upon in making filing and reporting decisions. Oral advice provided by staff of the Commission is intended to help citizens to analyze their particular circumstances and to make decisions on their own about compliance with the lobby registration law. There should be no specific reliance on oral advice of this kind.

#### **Procedure:**

§1. (a) The Commission will render advisory opinions with respect to the interpretation and applicability of IC 2-7 and, in appropriate circumstances, other statutes or rules governing the registration and reporting of lobbyists. There is no right to an Advisory Opinion and the Commission will render Advisory Opinions as a matter of discretion.

(b) An Advisory Opinion may be requested by any lobbyist, legislator, the Executive Director & Counsel of the ILRC, any other interested party, or may be issued by the Commission of its own initiative.

(c) Requests for Advisory Opinions shall be in writing, signed by the person making the request, and shall be titled, "Request for Advisory Opinion."

(d) A request for an Advisory Opinion shall state all material facts necessary for the Commission to understand the circumstances and make a complete analysis. Typically, the request for an Advisory Opinion must be based on actual facts and circumstances confronting the person making the request. Persons also may ask the Commission to issue Advisory Opinions with respect to hypothetical cases. It is less likely that the Commission will exercise its discretion to issue an Advisory Opinion in response to hypothetical cases. Only if the matter seems to be of general interest will the Commission exercise discretion to issue an Advisory Opinion.

(e) In requesting an Advisory Opinion, it is not necessary that an agent disclose the name of its principal which may be a matter of attorney-client privilege. The agent making the request should be prepared to certify that there is an undisclosed principal.

(f) Upon receipt of a Request for Advisory Opinion, the Executive Director shall send an information copy to each Commissioner for review in preparation for the next meeting of the Commission.

(g) At that next meeting, the Commission will determine whether it will exercise its discretionary powers

to issue an Advisory Opinion on the matter set forth in the request.

(h) Requests for Advisory Opinions must be received at the Commission office at least 10 days prior to the meeting of the Commission at which it is expected to be considered. The decision to include a request for an Advisory Opinion on the agenda is a matter of discretion with the Commission. Generally, that decision of the Commission will be made by the Chair, but the Chair will ordinarily honor the request of any member of the Commission to place a matter on the agenda.

(i) If a request for an Advisory Opinion is placed on the agenda for a Commission meeting, the Executive Director will give notice of the agenda, as well as the time and place of the meeting, to the person who requested the Advisory Opinion. It is the responsibility of the person who requested the Advisory Opinion to appear at the scheduled Commission meeting to address the request. A failure on the part of the person requesting an Advisory Opinion to attend the meeting of the Commission will militate against the issuance of an Advisory Opinion.

(j) The Commission may decide on an Advisory Opinion in the public meeting in which the request for an Advisory Opinion is presented or may take the matter under advisement. When a matter is taken under advisement, it must come back to a public meeting of the Commission for further discussion and resolution.

(k) Following a decision by the Commission to issue an Advisory Opinion, the Executive Director shall prepare the written expression of the Advisory Opinion and send a copy to each Commissioner for comment. If, during the period of comment by Commissioners, it appears that there is a material disagreement over the manner in which the Advisory Opinion is to be presented, the Executive Director will ask the Chair to place the request for an Advisory Opinion on the agenda for the next scheduled meeting of the Commissioners. If there is no material disagreement over the draft of the Advisory Opinion, the Executive Director will forward the opinion for publication in the *Indiana Register* in the form of a proposed Advisory Opinion.

(l) The Commission will accept written comment on any proposed Advisory Opinion for 30 days after the date of its publication in the *Indiana Register*. At its next following meeting, the Commission will consider any commentary that has been made during the 30-day period and will vote whether to ratify the Advisory Opinion as written or whether to amend it. If the Advisory Opinion is amended in that meeting of the Commission, it will be published in the *Indiana Register* under the procedure outlined above and held available for an additional comment period of 30 days.

(m) When the Commission ratifies a proposed Advisory Opinion, the final Advisory Opinion will be published in the *Indiana Register*. The vote of each Commissioner will be recorded by way of a signature on the Final Advisory Opinion. The Executive Director shall also sign Final Advisory Opinions prior to submission to the *Indiana Register*.

(n) The Commission will permit any person to submit memoranda, briefs, or other relevant written material or to provide oral testimony on any subject that is to be incorporated in an Advisory Opinion.

(o) Any Final Advisory Opinion, until amended or revoked, may be relied upon by all persons.

(p) Within fifteen (15) days of ratification of an Advisory Opinion, the Executive Director shall send a written copy of the Opinion to the party who requested it.

### **Request for Reconsideration from Final Advisory Opinion**

§ 2 (a) The person who made the inquiry and any person directly affected by the Commission's Advisory Opinion may request reconsideration or clarification from the Commission of the Advisory Opinion.

(b) Any such request for reconsideration shall be made, in writing, to the Commission within fifteen (15) days of receipt of the Advisory Opinion sent pursuant to §1(p) of this statement.

### **Public Record**

§3 (a) The Commission staff will periodically publish the accumulated Advisory Opinions in an appropriate format.

(b) A summary of the Commission's Advisory Opinions will be included and published in the annual report.

## Appendix 2

### General Instructions for Completing and Filing a Compensated Lobbyist Registration

1. Indicate whether you are filing an original or an amended registration.
2. A \$100 registration fee must accompany the lobbyist registration with the following exception: an employee/member of a non-profit organization pays a \$50 fee if the employer is exempt from federal income taxation under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code. As proof of the organizations tax exempt status please provide a copy of its determination letter issued by the IRS.
3. **Section A:** List the full legal name of the compensated lobbyist. Include your social security number on Line 7, if you are an individual registrant, or the corporate tax identification number, if the registrant is not an individual, e.g., corporate registrant. Social security numbers, which will be maintained in a separate index and file, are used to determine a person's eligibility to register as a lobbyist. These Social Security numbers must be filed with the ILRC in order for you to become a Lobbyist. If a Lobbyist has an outstanding tax warrant with the IN Department of Revenue, that warrant must be cleared prior to any lobbying activity being performed. Please be sure to include the email address of the person to receive reminders and notices from the ILRC regarding due dates and changes.
4. **Section B:** List **each employer or client** who will compensate you for providing lobbying services on their behalf.
5. **Section C:** Identify all subject matters for which you have contracted to lobby. If no subject category applies, specify your area of lobbying interest in the space marked "Other."
6. **Section D:** An individual registrant must answer all questions by checking the yes/no boxes.
7. **Section E:** Corporate registrants filing as compensated lobbyists must list all persons in their employ who will lobby on behalf of the clients identified in Section B of this statement. Each of these persons also must register as a compensated lobbyist.
8. **Section F:** Only the original signature of the registrant whose name is listed in Section A, line 1, will be accepted by the Commission. For corporate registrants, only the signature of an officer of the registrant will be accepted.

### Appendix 3

#### General Instructions for Completing and Filing an Employer Lobbyist Registration

1. Indicate whether this is an original or an amended registration.
2. **Section A:** List the employer registrant's full legal name, correct business address, and telephone number. On lines 5 and 6, list the name and email address of a contact person within the organization with whom the Commission may communicate.
3. **Section B:** The lobbyist registration fee is \$100, with the following exception: a non-profit organization, filing as an employer registrant, pays a registration fee of \$50, if the organization is exempt from federal income taxation under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code. As proof of your tax exempt status, please provide a copy of your determination letter issued by the IRS.
4. **Section C:** List the names, titles, and addresses of no more than five of the controlling persons or officers of your organization. The Commission will accept only the signature of one of these persons on registration and activity reports filed by your organization.
5. **Section D:** Include the name, address, and phone number of **each lobbyist** whom your organization will compensate for lobbying services and indicate whether each lobbyist is an employee or an independently contracted lobbyist. **Each identified person also must register as a compensated lobbyist.**
6. **Section E:** Identify all subject matters for which you will compensate the individuals listed in Section D. If no subject category applies, designate your area of lobbying interest in the space provided under "Other."
7. **Section F:** The registration statement must be signed and dated by a controlling person or an officer of the registrant. **The Commission will accept only the original signature of one of the persons listed in Section C, lines a-e.**

## APPENDIX 4

### Completing and Filing a Lobbyist Activity Report

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File your activity report on time to avoid a late fee. Filing deadlines are on or before May 31 for the first reporting period and on or before November 30 for the second period. (If due date falls on a weekend, filings are due the Monday following the weekend.)

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1. In the box at the top right hand side of the first page:
  - a. indicate for which reporting period you are filing;
  - b. indicate whether you are terminating as a lobbyist;
  - c. indicate whether you are filing as an employer lobbyist or as a compensated lobbyist.

**NOTE: IF YOU ARE REGISTERED AS BOTH AN EMPLOYER LOBBYIST AND AS A COMPENSATED LOBBYIST, YOU FILE YOUR ACTIVITY REPORT(S) ONLY AS A COMPENSATED LOBBYIST.**

#### **Section A. Identification.**

- EMPLOYER REGISTRANT: complete Section A, lines 1-7.
- CORPORATE COMPENSATED REGISTRANT: complete Section A, lines 1-7.
- OTHER COMPENSATED REGISTRANT: complete Section A, lines 1-5 and line 7.

- Line 1:* If registrant is an organization, business, or company, list the complete business name. Do not use an acronym.
- Line 2:* List the business telephone number.
- Line 3:* List the complete **business address**
- Line 4:* List the business **mailing address** if different than the business address listed on line 3.
- Line 5:* List the name, title, and phone number of the person completing the activity report.
- Line 6:* List between 3 and 5 persons who are responsible for the activities of the registrant (e.g., president, secretary, executive director). For the employer lobbyist, this information should mirror the information provided in Section C of the employer registration statement on file with the Commission. ***An Activity report will be considered invalid if signed by someone other than one of these designated persons.***
- Line 7:* Briefly describe any changes in names, addresses, telephone numbers or other information provided by the registrant on the registration form for the current year. The entry of information on this line does not relieve a registrant of the registrant's duty to file an amended registration form as required by IC 2-7-2-5.

**PLEASE NOTE: ONLY COMPENSATED LOBBYISTS ARE TO COMPLETE SECTION B.**  
(Complete an activity report for each client for whom you provided lobbying services.)

#### **Section B. Identification of Client(s) of the Registrant.** On each activity report you are completing:

- Line 1:* List the **name** of the **client**.
- Line 2:* List the **complete business address** of the **client**.



*Line 3:* List the **business phone number** of the **client**.

*Line 4:* List the type of **business** of the **client**.

**Section C. Lobbying Expenditures.** An employer registrant files one activity report. However, a registrant **who received compensation for lobbying and who compensated another to lobby must file a separate activity report** for **EACH** person/entity from whom he received payment for lobbying, but is not required to file an employer lobbyist activity report.

*Line 1:* Report all compensation that **you** paid in the form of salary, wages, benefits, or retainer to an employee, or to anyone else who was compensated by you for performing lobbying services during this reporting period. ***A compensated lobbyist should not include compensation received for services provided to an employer lobbyist. However, if you are an independent lobbyist, you should include compensation that you pay yourself for lobbying.***

*Line 2:* Report the total reimbursements you made to anyone for performing lobbying services during this reporting period.

*Line 3:* Report all direct payments that you made in sponsoring all or part of a legislative reception and that are not reported on line 6 or 7. Expenditures for **receptions** where lobbying occurs should be reported when the expenditures are incurred directly by a lobbyist. Include any expenses associated with the giving of a legislative reception that are paid by a lobbyist. The **costs of receptions** must be reported on this line if **fewer than** all members of a “legislative body” are invited and the expense is not reported on line 7.

*Line 4:* Report total amount spent for entertainment, including meals, unless the expense is reported on line 3, 6 or 7. Lobbyist do not report their portion of entertainment.

*Line 5:* Report all gifts that are made to legislative persons, as defined in IC 2-7-1-8, and that are not reported on Line 7.

*Line 6:* Report expenditures made for a function or activity to which all members of a “legislative body” are invited. Before completing line 6, please review the definition of “legislative body” set forth in IC 2-7-1-7.2 and the reporting rule set forth in IC 2-7-3-3.5(c).

*Line 7:* Report on this line total expenditures for entertainment and gifts reported in Section E.

*Line 8:* Report all registration and late fees.

*Line 9:* Report all other expenditures made for lobbying that have not been reported on other lines.

*Line 10:* Report total lobbying expenditures (add lines 1 through 9).

*Line 11:* If you are a compensated lobbyist (or if you are registered both as a compensated lobbyist and as an employer lobbyist), you may subtract out all of line 10, except for expenses incurred to lobby on your own behalf or expenses that were not attributable to any client. For example, if you incurred expenditures to lobby for yourself (e.g., a law firm lobbying on tort reform), you may not back out those expenditures. Similarly, if you used money from non-lobbying clients or from non-lobbying revenue to support your lobbying efforts, you may not back out those dollars.

*Line 12:* NET FIGURE (subtract line 11 from line 10).

**Section D. Affidavit of Non Legislative Income.** Identify all general assembly members from whom the lobbyist has received an affidavit required under IC 2-2.1-3-3.5. NOTE: Please contact the legislator from whom you should have received an affidavit if the legislator has not sent you the required affidavit.

**Section E. Certain Entertainment Expenses and Gifts.** Under IC2-7-3-3(a)(3), a lobbyist is required to

report entertainment expenses, including meals, and gifts that benefit a specific legislative person and that total \$50 or more in one day or more than \$250 during the year. These transactions are to reported in Section E. The definitions of “gift” and “legislative person” are set forth in IC 2-7-1-4 and IC 2-7-1-8, respectively.

**Section F. Subject(s) of Lobbying.** Lobbyists must identify all Subject(s) of Lobbying for which they lobbied. Specific bill numbers for which lobbyist efforts were made must be listed in the space marked “ Specific Legislation.” **NOTE:** Lobbyists must provide a list of bill numbers and correlating subject matter. Additionally, compensated lobbyists should do this for each client.

**Section G. Sworn Statement.** Section G is a sworn statement and requires a registrant’s original signature. An activity report that is not filed electronically will be accepted **ONLY** when it bears the **original signature** of the registrant, or when the registrant is an employer lobbyist, the **original signature** of one of the persons listed in Section C of the Employer Registration on file with the Commission. An activity report that is filed electronically must include an electronic signature as described in the memorandum of understanding submitted by the registrant and approved by the Commission. An activity report with a stamped or faxed signature, the signature of a person other than the registrant, a signature made by a third party – or, for an employer lobbyist, the signature of a person not listed in Section C of the Employer Registration statement, will be returned as an unfiled report and will be subject to late filing penalty.

## Appendix 5

### Gifts to Legislative Persons

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**Reporting Thresholds.** Under IC 2-7-3-3.3, a lobbyist is required to file a written report not later than fifteen (15) business days after making a gift or gifts to a specific legislative person, who is not a close relative of the lobbyist, if the value of the gift or gifts equals \$50 or more in one day or totals more than \$250 in a calendar year.

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**Relevant Definitions.** The definitions of “close relative”, “gift”, and “legislative person” set forth in IC 2-7-1-1.7, IC 2-7-1-4, and IC 2-7-1-8, respectively, are relevant to this reporting requirement.

**Where to file.** A lobbyist is required to file a copy of such a gift report with:

- (1) the Commission.
- (2) the legislative person to whom the gift or gifts were made.
- (3) the Principal Clerk of the House of Representatives if the legislative person is a member of, or candidate for election to, the House of Representatives.
- (4) the Secretary of the Senate if the legislative person is a member of, or candidate for election to, the Senate.

**Information to be Reported.** To comply with IC 2-7-3-3.3, each gift report must include the name of the lobbyist making the gift, a description of the gift, the amount of the gift, the date of the gift, and the name of the legislative person to whom the gift or gifts were made.

**Gift Report Form.** The form that a lobbyist is to use to report a gift or gifts to a legislative person may be downloaded from the Commission’s website at [www.in.gov/ilrc](http://www.in.gov/ilrc).

## APPENDIX 6

### PURCHASES FROM MEMBERS OF, OR CANDIDATES FOR ELECTION TO, THE GENERAL ASSEMBLY

**Reporting Threshold.** Under IC 2-7-3-7, a lobbyist is required to file a written report not later than fifteen (15) business days after paying more than \$100 to purchase goods or services from a member of the General Assembly, a candidate for election to the General Assembly, or such a member's or candidate's sole proprietorship or family business. However, a purchase report is not required if the purchase is made in the ordinary course of business and at a price that is available to the general public.

**Relevant Definitions.** The definitions of "candidate", "member", and "purchase" set forth in IC 2-7-1-1.3, IC 2-7-1-10.5, and IC 2-7-3-7(b), respectively, are relevant to this reporting requirement.

**Where to File.** A lobbyist is required to file a copy of such a gift report with:

- (1) the Commission.
- (2) the General Assembly member or candidate with respect to whom the purchase was made.
- (3) the Principal Clerk of the House of Representatives if the member or candidate is a member of, or candidate for election to, the House of Representatives.
- (4) the Secretary of the Senate if the member or candidate is a member of, or candidate for election to, the Senate.

**Information to be Reported.** To comply with IC 2-7-3-7, each purchase report must include the name of the lobbyist making the purchase, a description of the purchase, the amount paid, the date of the purchase, and the name of the member or candidate with respect to whom the purchase was made.

**Purchase Report Form.** The form that a lobbyist is to use to report such a purchase may be downloaded from the Commission's website at [www.in.gov/ilrc](http://www.in.gov/ilrc).

## **APPENDIX 7**

### **Audit Procedure**

- A. Commission staff chooses lobbyists to audit in two ways:
1. By random selection. IC 2-7-4-6 provides that at least 5% of all registration statements and reports are to be audited randomly each year.
  2. To examine a discrepancy in a registration statement or report.
- B. Lobbyists selected for audit are notified by letter, using the address that appears on the registration form. Letters to employer lobbyists are addressed to the contact persons listed on the registration forms. Letters to compensated lobbyists are addressed to the registrants.
- C. Each lobbyist being audited must submit documentation that substantiates the data provided on the activity report and the registration form. The Commission expects lobbyists to provide complete information within the time period specified in the notification letter -- usually three weeks -- unless special circumstances warrant an extension of time.
- D. The following documentation can be used to substantiate information:
- cash register receipts-expense account statements
  - affidavits-canceled checks
  - charge slips- bank statements
  - invoices for billable hours-tax returns, IRS form 1099
  - payroll check stubs- time sheets
  - contracts-business diaries and calendars
  - other records kept during the regular course of business.
- V. Lobbyists being audited can mail or deliver supporting documentation to the Commission office. As necessary, staff will contact each lobbyist to request further documents and to schedule a meeting to discuss the audit. Any lobbyist being audited can schedule a meeting with Commission staff to ask questions and clarify information. All documents provided in support of an audit are kept confidential while in the possession of the Commission.
- VI. Whether an audited lobbyist has submitted sufficient documentation to support his or her activity report is to be determined by the Commission staff.

## APPENDIX 8

### Electronic Filing Instructions

#### ILRC'S ONLINE SERVICES

#### REGISTRATION, ACTIVITY AND GIFT REPORTING ONLINE

**OVERVIEW.** Access Indiana, in cooperation with the Indiana Lobby Registration Commission, has developed four new interactive services, geared toward helping lobbyists interact more efficiently with the State of Indiana. This document will take you through the one time pre-registration setup process necessary to access these online services and, also, through submitting an online filing. This new online system allows third party filing, also, thus this document will also walk you through that modified process.

**ONETIME PRE-REGISTRATION PROCESS.** Because the ILRC filings contain confidential information, these online services have enhanced security features such as requiring a lobbyist to enter a username and password prior to logging into the application. In order to obtain this login information, a lobbyist must have a network subscription to Indiana Interactive\* and, also, file a memorandum of understanding (MOU) with ILRC. Information about obtaining a subscription including the subscription agreement to the network can be downloaded from the Commission's website at [www.in.gov/ilrc](http://www.in.gov/ilrc). The MOU is available online or can be obtained through ILRC office. The MOU remains in effect unless it is terminated by either party. The Indiana Interactive ID must be included on the MOU along with the taxpayer ID or Social Security number so ILRC can properly process the lobbyist's information before he or she can use the online services.

\* If a lobbyist wishes to have a third party prepare these documents on their behalf, an MOU between the lobbyist and the Commission, is still required by the lobbyist, but the ID and password are only needed by the preparer.

#### **LOBBY REGISTRATION/ACTIVITY/GIFT REPORTING (FILING WITHOUT A PREPARER)**

The process is simple for those lobbyists submitting their filings without the use of a preparer. The process is outlined below and involves the lobbyist logging onto the application, completing the form and pressing submit. This information is automatically transmitted to ILRC, without the normal delays of completing the filing on paper and mailing it in. Another time saving benefit is the reuse of information already stored in ILRC's system. Once you register as a lobbyist, the system "remembers" who you are and will pre-fill your contact information for each sequential filing. If your information has changed, you simply update the information as you file and continue with the report. The system then "remembers" your new information for future filings.

#### **LOBBY REGISTRATION/ACTIVITY/GIFT REPORTING (FILING USING A PREPARER)**

What if you normally have a third party prepare your filings for you? No problem! ILRC's system has been designed to accommodate the way you currently do business with the

state. Your preparer can complete your information, send you an email for approval, and then submit it to ILRC with a simple click. It's that easy!

**PRICING.** IN.gov, in cooperation with ILRC, is offering these services to you for a small convenience fee outlined below. As of January 1, 2011, subscription to Indiana Interactive costs \$95 annually and has many benefits beyond being able to file lobbyist reports online. These benefits include, new hire reporting with the Department of Workforce Development and the Secretary of State's corporate filings.

There is nominal total cost of \$1 per filing for an activity or gift report when filing online and a total cost of \$105 or \$55 when filing your annual registration statement online. There are additional charges for late submissions.

**CONCLUSIONS.** The Lobby Registration Commission has worked diligently to streamline their filing process to make it even easier to file your reports. After the onetime pre-register process, you will be able to register or renew your lobbyist status or file your activity, gift, and purchase reports online, without ever reentering your contact information. This is just another example how we are transforming relationships between business and government, one interaction at a time.